

**CONSOLIDATED PENSION TRUST
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2006**

	July-06					Current FYTD		Prior Year FY06		3 Years Ended	5 Years Ended
	Allocation		Returns-Month			Returns		Returns		6/30/2006	6/30/2006
	Market Value	Actual	Policy(1)	Gross	Net	Gross	Net	Gross	Net	Net	Net
LARGE CAP DOMESTIC EQUITY											
<i>Structured Growth</i>											
LA Capital	143,278,078	4.1%	4.3%	-3.47%	-3.49%	-3.47%	-3.49%	12.12%	11.88%	N/A	N/A
Total Structured Growth	143,278,078	4.1%	4.3%	-3.47%	-3.49%	-3.47%	-3.49%	12.12%	11.88%	12.99%	0.19%
Russell 1000 Growth				-1.90%	-1.90%	-1.90%	-1.90%	6.12%	6.12%	8.34%	-0.77%
<i>Structured Value</i>											
LSV	155,863,013	4.5%	4.3%	1.83%	1.80%	1.83%	1.80%	16.39%	15.93%	21.06%	12.29%
Russell 1000 Value				2.43%	2.43%	2.43%	2.43%	12.10%	12.10%	15.70%	6.89%
<i>Enhanced Russell 1000 Index</i>											
LA Capital	187,111,657	5.4%	5.5%	-1.11%	-1.13%	-1.11%	-1.13%	12.74%	12.49%	12.73%	3.75%
Russell 1000				0.22%	0.22%	0.22%	0.22%	9.08%	9.08%	12.05%	3.12%
<i>Enhanced S&P 500 Index</i>											
Northern Trust	192,757,104	5.5%	5.5%	0.85%	0.84%	0.85%	0.84%	9.43%	9.33%	11.32%	2.81%
Westridge	201,010,737	5.8%	4.3%	0.67%	0.65%	0.67%	0.65%	9.10%	8.80%	11.46%	2.80%
Wells Capital	95,944,297	2.7%	2.9%	-0.96%	-1.02%	-0.96%	-1.02%	N/A	N/A	N/A	N/A
Total Enhanced S&P 500 Index	489,712,138	14.0%	12.7%	0.42%	0.40%	0.42%	0.40%	8.77%	8.58%	11.40%	2.76%
S&P 500				0.62%	0.62%	0.62%	0.62%	8.63%	8.63%	11.22%	2.49%
<i>S&P 500 Index</i>											
State Street	64,057,821	1.8%	2.0%	0.86%	0.86%	0.86%	0.86%	9.65%	9.62%	11.55%	2.70%
S&P 500				0.62%	0.62%	0.62%	0.62%	8.63%	8.63%	11.22%	2.49%
TOTAL LARGE CAP DOMESTIC EQUITY	1,040,022,707	29.8%	28.9%	-0.18%	-0.20%	-0.18%	-0.20%	11.16%	10.93%	13.21%	3.86%
S&P 500				0.62%	0.62%	0.62%	0.62%	8.63%	8.63%	11.22%	2.49%
SMALL CAP DOMESTIC EQUITY											
<i>Manager-of-Managers</i>											
SEI	231,250,585	6.6%	7.1%	-3.49%	-3.55%	-3.49%	-3.55%	14.39%	13.56%	18.31%	8.00%
Russell 2000 + 200bp (annually)				-3.09%	-3.09%	-3.09%	-3.09%	16.86%	16.86%	21.06%	10.71%
Callan	89,737,541	2.6%	2.8%	-4.10%	-4.14%	-4.10%	-4.14%	N/A	N/A	N/A	N/A
Russell 2000				-3.25%	-3.25%	-3.25%	-3.25%				
TOTAL SMALL CAP DOMESTIC EQUITY	320,988,126	9.2%	9.9%	-3.66%	-3.55%	-3.66%	-3.55%	14.23%	13.40%	18.25%	7.97%
Russell 2000				-3.25%	-3.25%	-3.25%	-3.25%	14.58%	14.58%	18.70%	8.50%
INTERNATIONAL EQUITY											
<i>Large Cap - Core</i>											
State Street	48,642,723	1.4%	1.4%	1.11%	1.07%	1.11%	1.07%	28.48%	27.85%	20.61%	6.87%
MSCI EAFE (2)				0.99%	0.99%	0.99%	0.99%	26.56%	26.56%	20.76%	5.94%
<i>Large Cap - Active</i>											
Capital Guardian	143,700,941	4.1%	4.1%	0.85%	0.82%	0.85%	0.82%	28.45%	28.01%	21.32%	6.58%
LSV	140,656,249	4.0%	4.1%	1.17%	1.14%	1.17%	1.14%	28.27%	27.77%	N/A	N/A
Bank of Ireland	47,605,582	1.4%	1.4%	0.51%	0.46%	0.51%	0.46%	22.75%	22.00%	19.16%	N/A
Total Large Cap - Active	331,962,772	9.5%	9.7%	0.94%	0.90%	0.94%	0.90%	27.62%	27.11%	21.84%	7.14%
MSCI EAFE - 50% Hedged				0.98%	0.98%	0.98%	0.98%	26.72%	26.72%	22.56%	6.89%
<i>Small Cap - Active</i>											
Lazard	45,852,832	1.3%	1.4%	-2.10%	-2.15%	-2.10%	-2.15%	25.84%	25.04%	29.34%	N/A
Wellington	46,215,861	1.3%	1.4%	0.30%	0.23%	0.30%	0.23%	24.33%	23.35%	25.26%	N/A
Total Small Cap - Active	92,068,693	2.6%	2.8%	-0.91%	-0.97%	-0.91%	-0.97%	25.07%	24.18%	27.28%	N/A
Citigroup Broad Market Index < \$2BN				-2.00%	-2.00%	-2.00%	-2.00%	29.21%	29.21%	32.38%	N/A
TOTAL INTERNATIONAL EQUITY	472,674,188	13.5%	13.8%	0.59%	0.55%	0.59%	0.55%	27.22%	26.61%	22.77%	8.74%
MSCI EAFE - 50% Hedged				0.98%	0.98%	0.98%	0.98%	26.72%	26.72%	22.56%	6.89%
EMERGING MARKETS EQUITY											
<i>Core</i>											
JP Morgan	30,556,104	0.9%	0.8%	1.81%	1.75%	1.81%	1.75%	N/A	N/A	N/A	N/A
PanAgora	26,472,525	0.8%	0.8%	2.21%	2.17%	2.21%	2.17%	N/A	N/A	N/A	N/A
WestLB	27,174,244	0.8%	0.0%	1.46%	1.42%	1.46%	1.42%	N/A	N/A	N/A	N/A
UBS	47,702,162	1.4%	1.4%	1.78%	1.71%	1.78%	1.71%	N/A	N/A	N/A	N/A
Total Core	131,905,035	3.8%	3.9%	1.81%	1.76%	1.81%	1.76%	36.32%	35.59%	32.44%	18.61%
MSCI Emerging Markets				1.50%	1.50%	1.50%	1.50%	35.91%	35.91%	22.39%	12.89%
<i>Small Cap</i>											
DFA	28,648,544	0.8%	0.9%	2.30%	2.22%	2.30%	2.22%	N/A	N/A	N/A	N/A
MSCI Emerging Markets				1.50%	1.50%	1.50%	1.50%				
TOTAL EMERGING MARKETS EQUITY	160,553,579	4.6%	4.8%	1.89%	1.84%	1.89%	1.84%	35.20%	34.40%	32.05%	18.40%
MSCI Emerging Markets				1.50%	1.50%	1.50%	1.50%	35.91%	35.91%	34.76%	21.54%
DOMESTIC FIXED INCOME											
<i>Core Bond</i>											
Western Asset	76,075,541	2.2%	2.4%	1.58%	1.56%	1.58%	1.56%	-0.95%	-1.15%	2.65%	5.96%
Lehman Aggregate				1.35%	1.35%	1.35%	1.35%	-0.81%	-0.81%	2.05%	4.97%
<i>Index</i>											
Bank of ND	150,012,288	4.3%	4.2%	1.25%	1.25%	1.25%	1.25%	-1.31%	-1.37%	1.53%	5.24%
Total Index	150,012,288	4.3%	4.2%	1.25%	1.25%	1.25%	1.25%	-0.63%	-0.69%	2.10%	5.27%
Lehman Gov/Credit				1.30%	1.30%	1.30%	1.30%	-1.52%	-1.52%	1.60%	5.13%
<i>Convertibles</i>											
TCW	69,736,126	2.0%	2.4%	-0.50%	-0.54%	-0.50%	-0.54%	5.00%	4.54%	6.78%	1.15%
Merrill Lynch All Convertibles (3)				0.23%	0.23%	0.23%	0.23%	9.37%	9.37%	8.01%	4.94%

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	Allocation		Returns-Month		Net	Returns		Returns		6/30/2006	6/30/2006
	Market Value	Actual	Policy(1)	Gross		Gross	Net	Gross	Net	Net	Net
BBB Average Quality											
Wells Capital	74,714,705	2.1%	2.4%	1.54%	1.52%	1.54%	1.52%	-2.49%	-2.70%	3.36%	5.51%
Lehman US Credit BAA				1.58%	1.58%	1.58%	1.58%	-2.37%	-2.37%	2.39%	6.10%
Private Debt											
Prudential	76,237,880	2.2%	2.4%	1.41%	1.39%	1.41%	1.39%	0.07%	-0.13%	N/A	N/A
Lehman Aggregate				1.35%	1.35%	1.35%	1.35%	-0.81%	-0.81%	N/A	N/A
Timberland											
TIR - Teredo (4)	59,053,528	1.7%	1.7%	0.00%	-0.06%	0.00%	-0.06%	-0.71%	-1.44%	7.62%	N/A
TIR - Springbank	123,729,855	3.5%	3.5%	0.00%	-0.03%	0.00%	-0.03%	13.88%	13.53%	N/A	N/A
Total Timberland	182,783,383	5.2%	5.2%	0.00%	-0.04%	0.00%	-0.04%	9.89%	9.43%	20.37%	N/A
NCREIF Timberland Index				1.15%	1.15%	1.15%	1.15%	19.69%	19.69%	13.94%	N/A
TOTAL DOMESTIC FIXED INCOME	629,559,923	18.0%	18.9%	0.75%	0.73%	0.75%	0.73%	3.41%	3.12%	8.91%	8.14%
Lehman Aggregate				1.35%	1.35%	1.35%	1.35%	-0.81%	-0.81%	2.05%	4.97%
HIGH YIELD BONDS											
Core											
Loomis Sayles	101,998,243	2.9%	2.9%	1.56%	1.52%	1.56%	1.52%	5.26%	4.74%	N/A	N/A
Sutter/Wells Capital	102,217,389	2.9%	2.9%	0.96%	0.92%	0.96%	0.92%	5.22%	4.70%	N/A	N/A
Total Core	204,215,632	5.8%	5.8%	1.26%	1.22%	1.26%	1.22%	5.24%	4.72%	5.70%	3.38%
LB High Yield 2% Issuer Constrained Index				0.86%	0.86%	0.86%	0.86%	4.38%	4.38%	N/A	N/A
Mezzanine Debt											
Goldman Sachs	998,963	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A
TOTAL HIGH YIELD BONDS	205,214,595	5.9%	5.9%	1.25%	1.21%	1.25%	1.21%	5.24%	4.72%	8.34%	7.47%
LB High Yield 2% Issuer Constrained Index				0.86%	0.86%	0.86%	0.86%	4.38%	4.38%	8.48%	8.60%
INTERNATIONAL FIXED INCOME											
International Sovereign											
UBS Global	88,300,980	2.5%	2.5%	0.46%	0.43%	0.46%	0.43%	0.47%	0.13%	5.24%	9.99%
Citigroup Non-US Gov't Bond Index				0.69%	0.69%	0.69%	0.69%	-0.11%	-0.11%	5.01%	9.58%
International Core											
Brandywine	89,685,298	2.6%	2.5%	1.56%	1.52%	1.56%	1.52%	4.33%	3.89%	8.39%	N/A
Lehman Global Aggregate (ex-US)				0.00%	0.00%	0.00%	0.00%	3.83%	3.83%	5.69%	N/A
TOTAL INTERNATIONAL FIXED INCOME	177,986,278	5.1%	5.1%	1.01%	0.98%	1.01%	0.98%	2.39%	2.01%	6.82%	10.91%
Citigroup Non-US Gov't Bond Index				0.69%	0.69%	0.69%	0.69%	0.00%	0.00%	5.05%	9.60%
REAL ESTATE											
INVESCO	135,096,694			0.04%	0.00%	0.04%	0.00%	24.41%	23.84%	17.33%	12.38%
J.P. Morgan Strategic & Special Funds	134,068,775			1.39%	1.31%	1.39%	1.31%	22.25%	21.05%	17.14%	12.52%
J.P. Morgan Alternative Property Fund	30,257,549			0.08%	0.00%	0.08%	0.00%	N/A	N/A	N/A	N/A
TOTAL REAL ESTATE	299,423,018	8.6%	6.9%	0.66%	0.59%	0.66%	0.59%	22.98%	22.09%	17.09%	12.36%
NCREIF Total Index				1.32%	1.32%	1.32%	1.32%	18.22%	18.22%	15.63%	12.19%
ALTERNATIVE INVESTMENTS											
Brinson IVCF III	615,942			0.00%	0.00%	0.00%	0.00%	29.82%	26.32%	19.53%	18.00%
Brinson IVCF II	60,623			0.00%	0.00%	0.00%	0.00%	22.67%	22.67%	13.90%	-0.56%
Coral Partners II	100,201			0.00%	0.00%	0.00%	0.00%	3.74%	3.74%	6.19%	-9.24%
Coral Partners V	9,789,878			0.00%	0.00%	0.00%	0.00%	13.92%	8.74%	-15.32%	-24.06%
Coral Partners V - Supplemental	888,947			0.00%	0.00%	0.00%	0.00%	14.63%	10.53%	10.33%	N/A
Coral Partners VI	13,788,305			0.00%	0.00%	0.00%	0.00%	-0.91%	-6.22%	-10.14%	N/A
Brinson 1998 Partnership Fund	2,626,846			0.00%	0.00%	0.00%	0.00%	17.83%	16.52%	15.11%	1.97%
Brinson 1999 Partnership Fund	4,691,761			0.00%	0.00%	0.00%	0.00%	15.56%	14.27%	12.72%	-1.26%
Brinson 2000 Partnership Fund	13,877,749			0.00%	0.00%	0.00%	0.00%	29.66%	28.22%	17.90%	3.70%
Brinson 2001 Partnership Fund	7,867,731			0.00%	0.00%	0.00%	0.00%	21.20%	19.85%	9.95%	3.22%
Brinson 2002 Partnership Fund	5,301,135			0.00%	0.00%	0.00%	0.00%	33.89%	32.42%	13.22%	N/A
Brinson 2003 Partnership Fund	1,284,387			0.00%	0.00%	0.00%	0.00%	26.88%	25.48%	6.77%	N/A
Brinson 1999 Non-US Partnership Fund	2,400,859			0.00%	0.00%	0.00%	0.00%	41.81%	40.48%	30.98%	18.60%
Brinson 2000 Non-US Partnership Fund	2,715,123			0.00%	0.00%	0.00%	0.00%	36.31%	35.03%	21.65%	13.01%
Brinson 2001 Non-US Partnership Fund	3,941,502			0.00%	0.00%	0.00%	0.00%	28.46%	27.25%	17.46%	8.96%
Brinson 2002 Non-US Partnership Fund	5,482,532			0.00%	0.00%	0.00%	0.00%	39.42%	38.11%	22.66%	N/A
Brinson 2003 Non-US Partnership Fund	3,152,425			0.00%	0.00%	0.00%	0.00%	32.32%	31.08%	8.89%	N/A
Brinson 2004 Non-US Partnership Fund	1,373,790			0.00%	0.00%	0.00%	0.00%	25.74%	24.56%	N/A	N/A
Brinson BVCF IV	17,448,455			0.00%	0.00%	0.00%	0.00%	33.38%	31.35%	19.07%	0.41%
Matlin Patterson Global Opportunities	13,951,938			0.00%	0.00%	0.00%	0.00%	-10.83%	-11.68%	26.48%	N/A
Matlin Patterson Global Opportunities II	24,072,143			0.00%	0.00%	0.00%	0.00%	3.02%	-0.85%	N/A	N/A
InvestAmerica	4,206,694			0.00%	0.00%	0.00%	0.00%	8.91%	0.00%	-9.20%	N/A
Hearthstone MSII	1			0.00%	0.00%	0.00%	0.00%	-14.40%	-100.00%	-100.00%	-100.00%
Hearthstone MSIII	3,809,739			0.00%	0.00%	0.00%	0.00%	154.85%	59.61%	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (5)	143,448,706	4.1%	4.8%	0.00%	0.00%	0.00%	0.00%	21.20%	14.57%	11.40%	-2.59%
CASH EQUIVALENTS											
Northern Trust STIF/STEP	43,935,598	1.3%	1.0%	0.32%	0.30%	0.32%	0.30%	4.52%	4.31%	2.64%	2.41%
90 Day T-Bill				0.42%	0.42%	0.42%	0.42%	4.00%	4.00%	2.37%	2.25%
TOTAL PENSION TRUST	3,493,806,718	100.0%	100.0%	0.08%	0.07%	0.08%	0.07%	13.86%	13.18%	14.88%	7.75%
POLICY TARGET BENCHMARK				0.50%	0.50%	0.50%	0.50%	11.67%	11.67%	13.14%	6.78%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Because each fund within the Pension Trust has a different policy allocation, the consolidated report reflects a weighted average of all of the

(2) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(3) Prior to January 1, 2005, the benchmark was the First Boston Convertible Index.

(4) Prior to June 1, 2006, the Toredos properties were under the management of RMK.

(5) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.